

reason of the fact that much paper is offered for rediscount only some time after it is drawn, the average maturities held at the Imperial Bank are well within the legal limit of three months. The average maturity of all domestic bills, which in 1876 was twenty-seven days and in 1898 twenty-five days, was in 1906 only twenty days. The average amount of these bills was 1480 marks (\$352) in 1876, and 1689 marks (\$402) in 1906. Of bills outstanding at the close of the year, the proportion maturing in fifteen days or less in 1906 was 42 per cent. ; those having thirty-one to sixty days to run, 27 per cent.; and those having from sixty-one to ninety days only 15 per cent.¹

The proportion of the metallic reserve which is in gold is not regularly reported, but is usually announced at the close of the year. The amount at the close of 1894 was 7H»" 448,000 marks (\$170,000,000). The competition for the yellow metal and the great expansion of trade in Germany prevented any permanent gain in gold during the next decade and reduced the average amount held during 1906 to 674,734,000 marks and during 1907 to 633,830,000 marks. Among the devices adopted to facilitate the importation of gold was that of exempting advances upon imports of the metal from interest charges for a stipulated period, which was extended in March, 1908, to a maximum of six weeks.²

The redemption of notes in coin on demand is required at the Imperial Bank in Berlin, but may be refused at the branches when the funds on hand do not justify it,³ The

(\$456,000,000); the Diskonto Gesellschaft, 850,000,000 marks (\$202,000,000); and the Dresdner Bank, 1,012,060,000 marks (\$240,000,000). Cf. the author's *Principles of Money and Banking*, II., 283,

¹ *London Bankers' Magazine* ^ December, 1907, lyXXXIV, 700.

² *Moniteur des Int&r&ts MatMels*, March 29, 1908, 979.

³ The report, long prevalent, that the Imperial Bank discriminated against those seeking to withdraw gold, was denied by Dr. Koch, governor of the bank, in the autumn of 1907, who said that the bank " pays out gold in unlimited amounts at its central office in Berlin ia redemption of its notes ; but that it does not do this at branches like those of Hamburg and Bremen, since, in that case, it would have to